

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.
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FOR THE YEAR ENDED DECEMBER 31, 2005**

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ACCOUNTANTS' COMPILATION REPORT

Board of Trustees
Castleland Resource Conservation and
Development Council, Inc.
P.O. Box 1114
Castle Dale, Utah 84513

We have compiled the accompanying statement of financial position of Castleland Resource Conservation and Development Council, Inc. (a nonprofit organization) as of December 31, 2005 and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any other form of assurance on them.

SMUIN, RICH & MARSING



Price, Utah

June 8, 2006

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2005**

	<u>DECEMBER 31, 2005</u>
 <u>ASSETS</u>	
CURRENT ASSETS:	
Cash	\$ 60,957
Total assets	<u>\$ 60,957</u>
 <u>LIABILITIES AND NET ASSETS</u>	
NET ASSETS:	
Temporarily restricted	\$ 27,821
Unrestricted	33,136
Total net assets	<u>\$ 60,957</u>
Total liabilities and net assets	<u>\$ 60,957</u>

"See Accompanying Notes and Accountants' Compilation Report."

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
SUPPORT AND REVENUE:			
NRCS grant-office support		\$ 8,782	\$ 8,782
Charges for services	\$ 690		690
Project grants		46,710	46,710
Sponsor dues	1,700		1,700
Contributions/interest	749	1,000	1,749
	<hr/>	<hr/>	<hr/>
Total support and revenue	\$ 3,139	\$ 56,492	\$ 59,631
	<hr/>	<hr/>	<hr/>
EXPENSES:			
Program Services:			
Cooperative weed management		\$ 15,801	\$ 15,801
Conferences	\$ 189		189
Short term projects		1,776	1,776
USFC - Education projects		1,876	1,876
Rainwater collection project		4,162	4,162
Supporting Services:			
General and administrative		10,745	10,745
	<hr/>	<hr/>	<hr/>
Total expenses	\$ 189	\$ 34,360	\$ 34,549
	<hr/>	<hr/>	<hr/>
CHANGES IN NET ASSETS	\$ 2,950	\$ 22,132	\$ 25,082
	<hr/>	<hr/>	<hr/>
NET ASSETS, Beginning of year	30,186	5,689	35,875
	<hr/>	<hr/>	<hr/>
NET ASSETS, End of year	\$ 33,136	\$ 27,821	\$ 60,957
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"See Accompanying Notes and Accountants' Compilation Report."

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005**

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets		\$	25,082
Adjustments to reconcile change in net assets to net cash used by operating activities:			
Decrease in accounts receivable	\$	4,760	
Decrease in accounts payable		(1,943)	
Net cash used by operating activities			<u>2,817</u>
INCREASE IN CASH		\$	27,899
CASH, Beginning of year			<u>33,058</u>
CASH, End of year		\$	<u><u>60,957</u></u>

"See Accompanying Notes and Accountants' Compilation Report."

**CASTLELAND RESOURCE CONSERVATION AND
DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Castleland Resource Conservation and Development Council, Inc. is located in Southeastern Utah, in Emery County, in the city of Castle Dale. The Organization has a board of trustees consisting of a chairperson, vice-chairperson, secretary/treasurer and members of the board. Castleland Resource Conservation and Development Council, Inc. has conducted business as a non-profit organization since 1991.

The Council was incorporated in 1991 by individuals in Carbon, Emery, Grand and San Juan Counties in order to bring together community representatives to implement programs for the development, conservation and proper use of the resources of the area. This was to be accomplished by providing opportunities to coordinate and utilize the most effective and available combination of resources, facilities, and techniques necessary for the conservation and/or development of their agriculture, communities, economies, and culture.

Basis of Accounting

Castleland Resource Conservation and Development Council, Inc. prepares its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. All contributions are available for unrestricted use unless specifically restricted by the donor.

Restricted funds have been established to account for those resources available for use, but expendable only for purposes specified by the contracts.

Accounting for Fixed Assets

Castleland Resource Conservation and Development Council, Inc. does not have any fixed assets that it controls or maintains.

Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents are cash on the statement of financial position. When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, and then unrestricted resources as they are needed.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

Castleland Resource Conservation and Development Council, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the Council has not made any provision for federal or state taxes.

2. **DEPOSITS**

Cash accumulated at the end of December 31, 2005 consisted of unrestricted amounts that are considered to be available for all expenditures. Deposits are carried at cost, plus accrued interest. The entire balance is insured.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Insured (FDIC)	<u>\$ 60,957</u>	<u>\$ 60,957</u>

3. **PENSION PLAN**

Castleland Resource Conservation and Development Council, Inc. does not participate in a pension plan.

4. **ACCOUNTS RECEIVABLE**

Amounts recorded as accounts receivable are amounts due from state or local government.

5. **TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for specific grant programs.